

Hearing Date: January 17, 2008 at 10:00 a.m.
Objection Deadline: January 11, 2008 at 4:00 p.m.

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Kempner Capital Management LLC; Elliott
Associates, L.P.; Everest Capital Limited;
Nomura Corporate Research & Asset
Management, Inc.; Northeast Investors Trust;
and Whitebox Advisors, LLC

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	: Chapter 11
	:
DELPHI CORPORATION, <u>et al.</u> ,	: Case No. 05-44481 (RDD)
	:
Debtors.	: (Jointly Administered)
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**PRELIMINARY OBJECTION OF CASPIAN CAPITAL ADVISORS, LLC;
CASTLERIGG MASTER INVESTMENTS LTD.; CR INTRINSIC INVESTORS, LLC;
DAVIDSON KEMPNER CAPITAL MANAGEMENT LLC; ELLIOTT ASSOCIATES,
L.P.; EVEREST CAPITAL LIMITED; NOMURA CORPORATE RESEARCH & ASSET
MANAGEMENT, INC.; NORTHEAST INVESTORS TRUST; AND WHITEBOX
ADVISORS, LLC TO CONFIRMATION OF FIRST AMENDED JOINT PLAN OF
REORGANIZATION OF DELPHI CORPORATION AND CERTAIN AFFILIATES,
DEBTORS AND DEBTORS-IN-POSSESSION**

TO THE HONORABLE ROBERT D. DRAIN,
UNITED STATES BANKRUPTCY JUDGE:

Caspian Capital Advisors, LLC; Castlerigg Master Investments Ltd.; CR Intrinsic Investors, LLC; Davidson Kempner Capital Management LLC; Elliott Associates, L.P.; Everest Capital Limited; Nomura Corporate Research & Asset Management, Inc.; Northeast Investors Trust; and Whitebox Advisors, LLC or any respective affiliates thereof or funds and accounts directly managed by each of the foregoing (each, a “Creditor”), each in their individual capacity as a creditor of Delphi Corporation (together with certain of its debtor affiliates and subsidiaries, collectively the “Debtors”), by and through their counsel, Goodwin Procter LLP, hereby file this preliminary objection to confirmation of the First Amended Joint Plan of Reorganization of Delphi Corporation and Certain Affiliates, Debtors, and Debtors-In-Possession (as amended, the “Plan”) [Docket No. 11386], and respectfully state as follows:

PRELIMINARY OBJECTION

1. The Creditors hereby object to confirmation of the Plan on the grounds that, among other things, (A) the Plan, as proposed, cannot be confirmed under Section 1129 of the Bankruptcy Code because, among other things, (i) the classification of claims proposed under the Plan violates section 1122 of the Bankruptcy Code, (ii) the Plan violates section 1123(a)(4) of the Bankruptcy Code because it provides different treatment to claims classified together within a single class, (iii) the Plan unfairly discriminates and is not fair and equitable with respect to the Senior Notes because, among other things, to the extent the requisite General Unsecured Creditors vote to reject the Plan, the Plan violates the absolute priority rule by affording recoveries to junior creditors and equity holders without affording the Senior Notes payment in full of the allowed amount of their claims, and (iv) the Plan violates section 510(a) of the Bankruptcy Code in that it purports to waive and nullify the subordination of the TOPrS claims

without affording the Senior Notes payment in full; and (B) the Plan is premised upon the unlawful substantive consolidation of the Debtors.

2. Given the scheduled commencement of the hearing to confirm the Plan (the “Confirmation Hearing”) on January 17, 2007, and the ultimate objection deadline of January 11, 2007, the Creditors file this preliminary objection in order to create a contested matter to permit them to take discovery from the Debtors and other parties in connection with the Confirmation Hearing.

3. The Creditors hereby request that the Debtors provide, or cause to be provided, all balloting reports disclosing the interim tabulation of votes, as required by paragraph 38 of the Solicitation Procedures Order [Docket No. 11389].

4. The Creditors expressly reserve the right to supplement or amend this objection, including, without limitation, upon the conclusion of discovery and prior to the Confirmation Hearing.

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WHEREFORE, the Creditors respectfully request that the Court enter an order denying confirmation of the Plan, and granting such other and further relief as this Court deems just and proper.

Dated: New York, New York
December 14, 2007

GOODWIN PROCTER LLP

By: /s/ Allan S. Brilliant
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